

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

July 20, 2001

IN RE:)	
)	
BELLSOUTH TELECOMMUNICATIONS, INC.)	DOCKET NO. 01-00397
TARIFF TO OFFER CONTRACT SERVICE)	
ARRANGEMENT (TN00-8125-00))	

**ORDER GRANTING APPROVAL OF BELLSOUTH
CONTRACT SERVICE ARRANGEMENT (TN00-8125-00)**

This matter came before the Tennessee Regulatory Authority ("Authority") at a regularly scheduled Authority Conference on May 15, 2001 on the tariff filing of BellSouth Telecommunications, Inc. ("BellSouth") for approval to offer Contract Service Arrangement No. TN00-8125-00 ("CSA"). BellSouth filed Tariff No. 01-00397 on May 1, 2001, with a proposed effective date of May 31, 2001.

Based upon careful consideration of the tariff filing and the attachments thereto, the Authority made the following findings and conclusions:

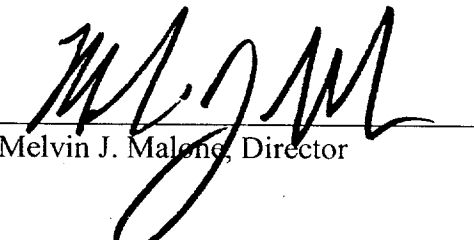
1. The purpose of this CSA is to provide Centrex service to the customer identified in the filing. Centrex service uses central office switching equipment to route internal calls from one extension to another and incoming calls directly to the appropriate extension, handle direct dialing of outbound calls, and provide service features similar to private branch exchange. Centrex service uses a separate dedicated line between each telephone at the customer premises and the switch at the telephone company central office.

2. The term of this CSA is thirty-six (36) months.
3. Through this CSA, BellSouth is offering the customer a discount on recurring charges throughout the life of the contract. Additionally, the CSA also indicates that the customer will incur no cost for converting existing ESSX service to Centrex service.
4. There is no termination liability if the customer terminates the CSA prior to the expiration of the thirty-six month term.
5. BellSouth provided a letter executed by the customer stating that the customer was aware of competitive alternatives available to it in Tennessee and that the customer understood that there was no termination liability for early termination of the CSA.
6. BellSouth supplied cost data which indicates that the price of services offered under the CSA exceed their long-run incremental costs. This data indicates that BellSouth has complied with the statutory price floor established in Tenn. Code Ann. § 65-5-208(c).
7. No parties sought to intervene in this docket.

Based upon the foregoing, the Directors of the Authority unanimously determined that the CSA in this docket should be granted.

IT IS THEREFORE ORDERED THAT:

BellSouth Telecommunications, Inc.'s Tariff No. 01-00397, which seeks approval of Contract Service Arrangement No. TN00-8125-00, is hereby granted.


Sara Kyle, Chairman
H. Lynn Greer, Jr., Director
Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary